Amendment of the demands for grants.

MR. R. NILAKANTA PILLAI: Sir, since the presentation of the budget at the joint session of the Sri Chitra State Council, and the Sri Mulam Assembly, the demands for grants have been passed by the Assembly subject to the following cuts —

Serial No.	Demand No.	Item in the Demand from which deduction was made.	Amount deducted.
			Rs.
1	I. Land Revenue — Rs. 9,03,114	Rs. 14,997 for establishment under I. A. Land Revenue and Income-Tax Commissioner.	10
2	Do.	Rs. 20,976 for Land Revenue and Income-Tax Commissioner.	1
3	II. Taxes on Income — Rs. 19,320	Rs. 6,020 for salaries under 2—Taxes on Income.	4,500 being the salaries of the 3 Income-Tax Inspectors.
4	V. Education— Rs. 45,77,707	Rs. 2,250 for Personal Assistant to the Inspectress— under 20 A. Controlling Agencies.	2,250
5	VI. Medical— Rs. 8,71,049	Rs. 6,012 for establishment under 23 A.—Superintendence.	1
6	Do.	Rs. 14,702 for Superintendence under 23 A.—Medical, Public Health and Sanitation.	1
7	VII. Ayurveda— Rs. 66,595	Rs. 2,111 for establishment under 23 G.—1 Inspector of Ayurveda.	1
8	VIII. Public Health and Sanitation — Rs. 2,52,318	Rs. 3,504 for establishment under 23 H.—1 Public Health.	100

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[Mr. R. Nilakanta Pillai.]

These cuts have been accepted by Government. I beg to submit that the demands to be made to this House may be amended accordingly.

PRESIDENT. Yes.

GENERAL DISCUSSION OF THE BUDGET.

PRESIDENT: The House will now proceed to the general discussion of the budget.

MR. P. PADMANABHAN TAMPI: Sir, before I enter into the discussion of the budget I have very great pleasure to express my deep feelings of gratitude and loyalty to His Gracious Highness the Maha Raja of Travancore for the constitutional reforms so graciously granted to us by the promulgation of Regulation II of 1108; and with the same feelings I thank you, Sir, for advising His Highness the Maha Raja for the introduction of such a measure.

Coming to the budget, I am sorry, Sir, that I cannot congratulate the Financial Secretary for the budget he has presented nor for the speech he delivered at the joint sitting of the Legislatures in introducing it. Sir, a close study of the budget will convince any that it is neither a surplus budget nor a balanced one. In this connection, I have to sympathise with the Financial Secretary for the position he holds between the Government and this side of the House. He has no absolute control over the finances of the State. He is neither a Financial Adviser to Government nor a Finance Minister. He has simply to obey the orders of Government in the matter of budgeting and the disbursing of amounts. The position he holds as Financial Secretary and as the Chief Account and Audit Officer to Government is also another matter which I have to bring to the attention of Government in this connection. Sir, the separation of the post of the Financial Secretary and the post of Chief Account and Audit Officer has been repeatedly urged in various sessions of the Sri Mulam Popular Assembly and the Legislative Council. I wish to draw the attention of the Government to the undesirability of keeping these functions in one and the same officer. Sir, unless a strong ministry is formed with full powers and control over the finances and the offices of the Financier and the Chief Account and Audit Officer are kept under experts, the financial position of the State is not likely to thrive well.

Speaking of the financial condition of the State I dare say, Sir, without the least fear of contradiction or without any hesitation, that by the abnormal increase in expenditure and by the large undertakings by Government, followed by the economic depression in the State, the Government is consciously or unconsciously drifting into bankruptcy. This is not a fear based on mere imagination or a fear without foundation. This fear was entertained so far back as the year 1097 when the then Financial Secretary, Mr. K. George, pointed out that there were grounds for such a fear. After a review of the finances of the past ten years he pointed out that the increase of expenditure was 45 per cent. and the increase of income was only 41 per cent. But he promised

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